

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF VIRGINIA
Norfolk Division

UNITED STATES OF AMERICA,

Plaintiff

v.

SAMUEL LLOYD,

Defendant.

CRIMINAL ACTION NO.
2:11cr36

TRANSCRIPT OF PROCEEDINGS

(Detention hearing)

Norfolk, Virginia

April 22, 2011

BEFORE: THE HONORABLE DOUGLAS E. MILLER
United States Magistrate Judge

APPEARANCES:

UNITED STATES ATTORNEY'S OFFICE

By: Laura M. Everhart

Assistant United States Attorney
Counsel for the United States

PAUL G. WATSON, IV

By: Paul G. Watson, IV

Counsel for the Defendant

1 (Hearing commenced at 2:12 p.m.)

2 THE CLERK: United States of America versus Samuel
3 Lloyd, case number 2:11cr36.

4 Are counsel ready to proceed?

5 MS. EVERHART: The United States is ready. Good
6 afternoon, Your Honor.

7 THE COURT: Good afternoon, Ms. Everhart.

8 MR. WATSON: Good afternoon.

9 THE COURT: Mr. Watson.

10 All right. Have all counsel received a copy of --
11 what the Court has is a copy of an original bond report that
12 was prepared in Georgia, I believe, and an addendum that was
13 prepared here by Ms. Goodwin. Both counsel have copies of
14 those two reports?

15 MS. EVERHART: I do, Your Honor.

16 MR. WATSON: Yes.

17 THE COURT: All right. Ms. Everhart, is the
18 Government still seeking detention?

19 MS. EVERHART: Yes, sir.

20 THE COURT: All right. And, Mr. Watson, I assume --
21 well, how are we going forward? Are we going forward with
22 the hearing?

23 MR. WATSON: Yes.

24 THE COURT: All right. Ms. Everhart, you going to
25 proceed by way of proffer or how do you want to proceed?

1 MS. EVERHART: By way of proffer, Your Honor.

2 THE COURT: All right. You all can have a seat.

3 MS. EVERHART: Your Honor, this indictment is the
4 result of an extensive investigation that went on over a
5 period of nearly two years by ICE into the activities of
6 Mr. Lloyd, who is one of the principals in this conspiracy,
7 and a number of others that have been charged in this
8 indictment; three that were charged in an indictment earlier
9 this year, and I believe five that have been previously
10 brought before this Court and pleaded guilty and are
11 cooperating with the United States.

12 It has involved putting, I would say, close to 36
13 witnesses before the Grand Jury talking about the activities
14 of these individuals. It involved, I would estimate, since I
15 had to submit them, about 25 or 30 pin registers and five
16 wiretaps on phones belonging to two of the other principals,
17 Clive Black and Trenton Hawkins.

18 The defendant is Jamaican, as are a number of other
19 people associated with this group, including Clive Black and
20 Robert Napier, who was arrested down in Atlanta as part of
21 this conspiracy with 21 kilos of cocaine.

22 The defendant's participation began --

23 THE COURT: Let me make sure I understand what you
24 said. Clive Black was arrested with 21 kilos?

25 MS. EVERHART: No, Your Honor, Robert Napier was.

1 THE COURT: Okay. But not Samuel Lloyd, right?

2 MS. EVERHART: No, not Samuel Lloyd.

3 THE COURT: Okay.

4 MS. EVERHART: But as far as this conspiracy -- and
5 that happened in January of this year.

6 THE COURT: Okay.

7 MS. EVERHART: The defendant's participation,
8 according to the witnesses, began prior to 2004, but in 2004
9 the defendant had relocated to Atlanta, and he was selling to
10 Clive Black and another unindicted co-conspirator, 10 kilos
11 of cocaine at a time. This went on for a period of time
12 until the defendant had a dispute over money with the
13 unindicted co-conspirator. However, he maintained his
14 relationship with Clive Black.

15 The girlfriend that's been proposed as a third-party
16 custodian has been his girlfriend throughout the whole course
17 of this conspiracy. She was living in Atlanta with him while
18 these activities were taking place. Many of the activities
19 took place at the location where he is now living with that
20 same girlfriend.

21 The defendant, according to the witnesses and
22 surveillance and the various phone calls that were monitored
23 over the course of this investigation, indicates that he had
24 a connection, as did Mr. Daughtrey, who is another one of the
25 lead co-defendants, have a connection in Mexico.

1 Mr. Daughtrey and another co-defendant, David
2 Wheeler, actually went down to Mexico, and we have the
3 documents from immigration, from ICE documenting their visits
4 down there in June of '08.

5 Soon thereafter a shipment of 1700 pounds of
6 marijuana was arranged. That was brought back to this area
7 in a tractor-trailer load underneath a bunch of watermelons.
8 It was unloaded here and much of it was sold. However, 212
9 pounds of the marijuana was seized from a storage unit out in
10 Virginia Beach in 2008, and that was in part what led to the
11 entire investigation.

12 There was another storage unit that had been used to
13 store marijuana by this group and that was cleaned out before
14 anyone could get over there and look. We already have one --
15 we have three defendants who were out of state at the time of
16 the indictment, the defendant being one, and the others being
17 David Wheeler, excuse me, and Michael Daughtrey.

18 Mr. Daughtrey knows that we are looking for him.
19 They were trying to apprehend him in Massachusetts. He
20 actually had an attorney call ICE, and he apparently has
21 fled. So we already have one out-of-state fugitive in this
22 case, and he was very strongly connected to Mr. Lloyd.

23 Mr. Lloyd and Mr. Napier, according to surveillance,
24 and there was very, very extensive surveillance in this case,
25 Your Honor, volumes and volumes of it, are known to have come

1 down here in April of 2009 on a train. They came into
2 Newport News. They ended up at the -- the group had
3 maintained a stash house over on Berkley Drive in Virginia
4 Beach where all of these individuals were known to spend
5 time. It was used for various drug related activities.

6 Occasionally somebody would actually stay there and
7 actually spend the night. Mr. Lloyd and many of the other
8 co-conspirators had a key to this place. They were --
9 Mr. Lloyd and Mr. Napier, according to Mr. Napier and others,
10 were here to arrange a marijuana deal involving a
11 tractor-trailer that was driven by Trent Hawkins with a
12 compartment in the floor.

13 And shortly thereafter that marijuana arrived in the
14 area, and on April 27th, 2009, one of Mr. Lloyd's couriers
15 was interdicted, I believe down in North Carolina, and she
16 was found to have 30 pounds of marijuana, and she was -- she
17 was apprehended at that point.

18 Little -- well, about two months later, Mr. Hawkins
19 was on his way to Texas with over \$600,000 with the plan to
20 buy more marijuana and I think approximately 30 kilograms of
21 cocaine from this Mexican connection that Mr. Daughtrey and
22 Mr. Lloyd had.

23 Unfortunately for him, he was stopped in
24 Mississippi, another traffic stop, and they took his
25 \$600,000. Mr. Hawkins has since pleaded guilty in this

1 jurisdiction and is cooperating with the United States, which
2 he had done prior to his indictment in this court.

3 THE COURT: So has Mr. Hawkins identified --
4 because, frankly, you're describing a lot of information that
5 goes far beyond what the indictment suggests Mr. Lloyds'
6 involvement was. Does this come from Mr. Hawkins --

7 MS. EVERHART: Your Honor, this comes from --

8 THE COURT: -- or from Mr. Napier?

9 MS. EVERHART: This comes from Mr. Hawkins,
10 Mr. Napier, from recorded telephone calls and surveillance
11 and from all of the other witnesses in the case of which, as
12 I say, there have been many connected with this
13 investigation, both local and otherwise.

14 On -- in some of the recorded phone calls, the
15 defendant is heard arranging deals, speaking with Mr. Black
16 about trying to set up sort of satellite locations in
17 Maryland and West Virginia.

18 In May of '09 he and Andre Todd, who pleaded guilty
19 yesterday, were involved trying to set up a ten pound --
20 excuse me, a thousand pound marijuana transaction, this is
21 caught on surveillance, and Mr. Black was present for that.
22 Mr. Black has been cooperating since shortly after that time
23 or right around that time.

24 On June 19th, 2009, Mr. Lloyd was in town and seen
25 by the investigative team. He was here to collect a drug

1 debt, and by that time Mr. Black was cooperating. Mr. Lloyd,
2 in connection with an attempt to collect this drug debt, gave
3 Mr. Black a gun. Mr. Black, of course, immediately turned it
4 over to the authorities here, and that is in evidence, and
5 that came from Mr. Lloyd.

6 In connection with this and associates of Mr. Lloyd,
7 there have been other seizures. One of them was on November
8 the 13th, 2008, which followed closely upon the heels of
9 Mr. Daughtrey and Mr. Lloyd making various flights between
10 Atlanta and Washington, D.C., and other areas, and that
11 courier was apprehended with \$264,000 in a vehicle that she
12 was driving with a secret compartment.

13 The group employed a number of vehicles, primarily
14 F-150 pickup trucks with secret compartments that were used
15 to both transport drugs and money, and several of them have
16 been taken off in interdictions and stuff and folks in this
17 jurisdiction and also elsewhere.

18 For all these reasons, Your Honor, we would submit
19 that the evidence in this case is very strong, that Mr. Lloyd
20 was a principal in a very, very extensive conspiracy
21 involving a lot of money and an awful lot of drugs over a
22 long period of time.

23 Although it is true that Mr. Lloyd has sort of been
24 the Teflon drug dealer in all of this, unfortunately for
25 Mr. Lloyd, many of those around him have fallen in the last

1 couple of years, and they are all -- they have all pleaded
2 guilty and admitted their part and have implicated Mr. Lloyd
3 and are prepared to testify.

4 As for his employment, I do not know anything about
5 this social club. However, I do know from several of the
6 witnesses that Doug Dollar Distribution was, at least in the
7 opinion of these witnesses, a cover business for Mr. Lloyd's
8 true business which was drugs. And I would, of course, also
9 say that that employment, so far as I know, has never been
10 verified, whether he even had a business license or anything
11 of that nature.

12 THE COURT: You talking about L&S or Doug Dar?

13 MS. EVERHART: So far as I know, looking at this
14 report, I don't think either of them have been verified.
15 They are self-employment. So it might be difficult to do so.

16 THE COURT: All right. The -- I presume even though
17 it's only two counts that these carry a maximum punishment in
18 excess of ten years?

19 MS. EVERHART: Yes, Your Honor, maximum of life, ten
20 year mandatory minimum.

21 THE COURT: All right.

22 All right. Anything else?

23 MS. EVERHART: No, Your Honor.

24 THE COURT: All right. Thanks, Ms. Everhart.

25 Mr. Watson, did you want to call a witness, proceed

1 by proffer?

2 MR. WATSON: Proceed by proffer.

3 THE COURT: All right.

4 MR. WATSON: What we would proffer to the Court, as
5 per the pretrial services report, that Mr. Lloyd has been in
6 this country for, I believe, over 12 years. He is a
7 naturalized citizen, has absolutely no criminal record
8 whatsoever, 48 years old. Probably wouldn't have a criminal
9 record here if he did anything in Jamaica, but we do know
10 that he has not committed any offenses in the United States
11 and been here over 12 years.

12 As, again, the pretrial services report states, he
13 owns his own business in Atlanta. His fiancée, girlfriend,
14 has her own business. They have one child together, and she
15 has another child that has been residing with him for the
16 entire time they've been together.

17 I would ask the Court to consider granting Mr. Lloyd
18 a bond. I certainly understand the drug presumption applies
19 here, and the presumption is no conditional ensure -- or can
20 ensure his appearance or safety to the community, but would
21 assert here, with his lack of criminal record, ties to the
22 community, that is, the Atlanta community, would ask the
23 Court to consider granting him a bond and putting him on home
24 detention at a house where he's been residing in Atlanta, I
25 guess more particularly Stone Mountain, Georgia.

1 It appears as if a -- maybe a few more small steps
2 would have to be accomplished for that house to have the home
3 monitoring set up, but it certainly is available to be set up
4 there.

5 Certainly understand the Government's proffer, but
6 did hear a lot of what other people did, what other people
7 were caught with. Mr. Lloyd certainly doesn't appear as if
8 he was caught with anything, and quite a number, it sounds
9 like, literally, dozens of people involved in this case,
10 maybe even that many as defendants eventually.

11 So it certainly sounds like there are a number of
12 different roles that all these different people played and
13 would submit to the Court that Mr. Lloyd -- there is no
14 evidence, direct evidence of him ever being caught with the
15 drugs or the money or anything of that nature.

16 So I would ask the Court to consider those facts,
17 proffered facts, and as overcoming the presumption and allow
18 him to -- or grant him a bond.

19 THE COURT: All right. Ms. Everhart, I think you
20 proffered that there was some evidence that the defendant
21 traveled to Mexico in June of '08?

22 MS. EVERHART: No, Your Honor. He was part of the
23 group that was organizing or, you know, attempting to
24 organize at that point a big trip down to -- to get with
25 their Mexican connections and bring back a large quantity of

1 marijuana and also cocaine. It was not he who actually went
2 to Mexico. It was Mr. Wheeler and Mr. Daughtrey, two of the
3 co-defendants. And I would like to say in response to
4 something that was said that one of the reasons he's only
5 charged in two counts in the indictment is there were a lot
6 of the things that the defendant did in furtherance of this
7 conspiracy occurred outside of the Eastern District of
8 Virginia and we have no venue.

9 THE COURT: All right. Mr. Watson, the
10 recommendation of the Georgia pretrial office was that he
11 post a secured bond in the amount of \$25,000. Have you
12 discussed with your client his ability to post a secured
13 bond?

14 MR. WATSON: I have. I've also spoken to his
15 fiancée twice and spoke to her about that. I know it would
16 be difficult for them to do, but certainly possible, but also
17 advised him of an unsecured bond was what --

18 THE COURT: Well, I mean, the problem is he is not
19 local. I mean, frankly, if he were local, this would be an
20 easier decision, but he's not local, and that's -- in
21 combination with everything that Ms. Everhart just proffered,
22 it's difficult to fashion conditions that would ensure his
23 appearance given that he has really no connection to Hampton
24 Roads, and he's facing the possibility of life in prison.

25 I'm not as concerned with danger, although I

1 recognize it's an involved conspiracy, but there doesn't
2 appear to be any history of violence. He has absolutely no
3 criminal record. But I am concerned about the risk of flight
4 given how extensive this network is and or is alleged to
5 be -- well, is in some cases, some of these folks have
6 already admitted their involvement.

7 MR. WATSON: I'd hope he would have had a cousin or
8 something or relative or friend in Hampton Roads area, but
9 there is no one in the Eastern District, within the Eastern
10 District. It's -- well, how he's lived in Stone Mountain
11 right outside of Atlanta is the only place that that's the
12 possibility.

13 THE COURT: And, Mr. Grant, do you know if anyone's
14 communicated? I'm assuming if he gets bond he'd have to be
15 supervised down there? Have you talked to or has Ms. Goodwin
16 talked to anybody about supervision done there?

17 MR. GRANT: No, Your Honor. We usually do that
18 after they are released on bond so that we can coordinate
19 with them about the Court instructions and so forth.

20 THE COURT: All right. Well, this is what I'm going
21 to do. I recognize it is a serious charge, Ms. Everhart, and
22 I recognize he's facing a lot of time, but I believe that --
23 I don't believe that he poses a danger to the community based
24 on he has zero criminal record. I mean, unless this
25 information is wrong, the information that the probation

1 office -- I mean, he is 48 years old, and he's been in this
2 country at least 12 years, maybe 13, and he has absolutely no
3 criminal record, I mean, not even a reckless driving.

4 And that although he's accused of a fairly elaborate
5 drug conspiracy, it also appears he is accused with a number
6 of other people who have already acknowledged their
7 responsibility for a fairly elaborate conspiracy. And other
8 than this one -- there is apparently some evidence that he
9 delivered a gun, but that's not charged in the indictment,
10 and in any event, I don't find that there's evidence that he
11 needs -- that he poses a real threat to the community, but I
12 do -- I am concerned about risk of flight.

13 So as a condition of his release, he's going to be
14 required to abide by all of the conditions that are spelled
15 out in the pretrial services report issued out of the -- I
16 guess this is the Northern District of Georgia, Northern
17 District of Georgia in Atlanta, including he's going to be
18 required to post a \$25,000 secured bond.

19 He's to submit to supervision by the pretrial
20 services office in the Northern District of Georgia, if we
21 can coordinate their agreement to accept supervision.

22 MR. GRANT: Yes, Your Honor.

23 THE COURT: He is to refrain -- go ahead.

24 MS. EVERHART: Your Honor, I just wanted to say that
25 the gun is in the indictment as overt act 50 in the

1 conspiracy count.

2 THE COURT: Oh, his specific?

3 MS. EVERHART: Yes.

4 THE COURT: All right. Well, I see that is
5 referenced as an overt act in the conspiracy but he was not
6 charged separately with the 924(c) or use or possession, use
7 in relation to a drug trafficking crime.

8 So, in any event, I appreciate your bringing that to
9 my attention but I still believe that he is a candidate for
10 bond subject to these conditions.

11 I think these conditions would be sufficient to
12 ensure the safety of the community and ensure that he would
13 appear for trial. But he is going to have to post a secured
14 bond. He is going to have to refrain from the use or
15 unlawful possession of narcotic drug or other controlled
16 substances unless prescribed by a medical practitioner.

17 Does he have to take narcotics for his hip or back
18 pain?

19 MR. WATSON: I'm not sure. It sounds like it is a
20 prescription strength ibuprofen.

21 THE COURT: All right. Well, whatever it is, he
22 will have to furnish a copy of the prescription once he's
23 released to the folks who are handling his supervision. He's
24 to refrain from the excessive use of alcohol, submit to
25 substance abuse testing and treatment as recommended by the

1 probation office there.

2 His travel is restricted to the Northern District of
3 Georgia and the Eastern District of Virginia as necessary for
4 court appearances. He is to surrender any U.S. passport that
5 he has. Does he have a passport, Mr. Watson?

6 MR. WATSON: Yes.

7 THE COURT: He is to surrender that before he is
8 released and not to apply for any new passport or travel
9 documents. He is to maintain or actively seek lawful
10 verifiable employment. That means you are going to have to
11 produce some record that he's working for this sports club,
12 whatever it is.

13 He's not to possess any firearms, dangerous weapons
14 or destructive devices, and he is going to have to maintain
15 his permanent residence at 4749 Manley Court, Stone Mountain,
16 Georgia with his fiancée, Celina Collins. And he is to
17 submit to electronic monitoring at that address with
18 time-outs as directed by the probation office handling his
19 supervision.

20 Now, it will take some time to put all that in
21 place, the secured bond and the electronic monitoring, and so
22 he's going to be remanded for today and that will give Ms.
23 Everhart a chance to evaluate whether she wants to appeal my
24 decision. But I understand it is a serious charge, Ms.
25 Everhart, but he has basically no criminal record -- well,

1 not basically, he has no criminal record.

2 MS. EVERHART: Although pretrial has pointed out
3 that actually he was put in diversion and then it was
4 dismissed. So apparently they found sufficient evidence to
5 convict but they gave him a diversionary sentence.

6 THE COURT: That just indicates he's a candidate for
7 supervision. He is able to comply when he's -- but I
8 understand. It is a serious charge, and I don't mean to -- I
9 know there was -- is a presumption, but he appears to have a
10 relatively stable living arrangement and has managed to avoid
11 any kind of criminal record, and there doesn't appear to be,
12 other than the one gun reference, there doesn't appear to be
13 any issue of violence.

14 And as I said, while he -- the evidence is strong
15 that he has a role, a number of other people also have a
16 role, and they've all admitted their conduct and that -- so
17 it's not completely clear that -- in any event, the evidence
18 alone is not sufficient to deny him bond.

19 MS. EVERHART: Your Honor, two things. First, the
20 electronic monitoring, would that be realtime GPS, which I
21 think in a case like this would be advisable?

22 THE COURT: Yes, that would be realtime GPS,
23 assuming they can do it down there. Can they?

24 MR. GRANT: And that's what I was going to bring it
25 up, Your Honor, is that a problem if they do not have the

1 capability in Georgia?

2 THE COURT: Well, what capability would they have
3 other than that? They would just have the ability to say --

4 MR. GRANT: Just the standard radio frequency --

5 THE COURT: Which is?

6 MR. GRANT: -- that he came in or out on the proper
7 time. It wouldn't give us any kind of a location monitoring.

8 THE COURT: No, it needs to be the kind we can do
9 here with realtime GPS monitoring. So he needs to be able to
10 be monitored so that if he is not where he is supposed to be,
11 we know where he is. You understand that, Mr. Watson?

12 MR. WATSON: I do.

13 MR. GRANT: Your Honor, would you like me to inquire
14 of Georgia as soon as this hearing is over and try and get
15 back to you before the end of the day?

16 THE COURT: Yeah, let's do that, see if they can do
17 that. I presume they can. I mean, it is a big city. It's
18 not --

19 MR. GRANT: I understand, but I have had problems
20 with Ohio with this very incident, so I -- you know, I would
21 rather be on the safe side.

22 THE COURT: All right. Well, I don't know that we
23 have to have an answer. He is not going to get -- he is
24 going to be held over the weekend because he is going to have
25 to have some kind of electronic monitoring and the bond

1 posted. So that's going to be the ruling of the Court, that
2 he is going to have to be subject to realtime GPS monitoring.
3 So if he is not able to be subject because of some
4 shortcoming there, then we will have to reconvene.

5 But so you can -- you don't need to follow up with
6 me today. You can follow up with me once you get the answer.

7 MR. GRANT: Yes, sir.

8 MS. EVERHART: And what was the dollar amount of the
9 bond? I'm sorry, Your Honor.

10 THE COURT: \$25,000 secured.

11 All right. Do we need to -- can we arraign him
12 today? Are we ready to arraign?

13 MS. EVERHART: No, Your Honor. He will be arraigned
14 with the co-defendants on Wednesday.

15 THE COURT: Okay. So he'll be in custody at least
16 until Wednesday --

17 MS. EVERHART: Yes.

18 THE COURT: -- because he's going to stay here for
19 arraignment.

20 All right.

21 MS. EVERHART: 9 o'clock.

22 THE COURT: So we will set arraignment for 9 a.m.
23 Wednesday, and actually -- well, if -- depending on what you
24 find out, Mr. Grant, if you find out that they -- if you find
25 out they can do it, then it's no problem. That's the Court's

1 release order, and everybody knows what their remedies or
2 rights are after that.

3 It will be up to them to post and arrange their
4 electronic monitoring, and then once all that's put in place,
5 he can be released to go down there. But I presume that will
6 all take place no sooner than Wednesday because he needs to
7 stay here for arraignment. If it turns out they can't do it,
8 let me know and I'll ask Ms. Forehand or Ms. Dodge or
9 somebody to contact counsel and put it back on for a
10 reconvening of this hearing.

11 MR. GRANT: Yes, Your Honor.

12 THE COURT: All right.

13 MS. EVERHART: Yes, Your Honor.

14 THE COURT: Understand that, Mr. Watson?

15 MR. WATSON: Yes, sir.

16 THE COURT: All right. You can explain to your
17 client what's going on and what will happen next.

18 MR. WATSON: Okay.

19 THE COURT: All right. Anything else we need to do
20 today in the matter?

21 MS. EVERHART: No, Your Honor.

22 THE COURT: I do have an order that you all
23 apparently submitted at the last hearing which appears to
24 have been fully endorsed, a discovery order. Want me to go
25 ahead and enter that?

1 MS. EVERHART: Yes, Your Honor, please.

2 THE COURT: I will enter that now.

3 Ms. Forehand, you want to take that? Is that
4 everything we have?

5 All right. Court will be in recess.

6 (Hearing adjourned at 2:40 p.m.)

7 CERTIFICATION

8
9 I certify that the foregoing is a correct
10 transcript, to the best of my ability, of the court's audio
11 recording of proceedings in the above-entitled matter.

12
13 X_____/s/_____
14 Jody A. Stewart

15 X____4-27-2011_____
16 Date

17
18
19
20
21
22
23
24
25